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February 12, 2014

Chairman Tom Wheeler
Commissioner Mignon Clyburn
Commissioner Ajit Pai
Commissioner Jessica Rosenworcel
Commissioner Michael O'Rielly
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Broadband Leadership

RE: Connect America Fund, WC Docket No. 10-90; National Broadband Plan for our Future, GN Docket No. 09-51; High-Cost Universal Service Support, WC Docket No. 05-337; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline and Link-Up, WC Docket No. 03-109; Universal Service Reform – Mobility Fund, WT Docket No. 10-208; Rural Health Care Support Mechanism, WC Docket No. 02-60; Modernizing the E-rate Program for Schools and Libraries, WC Docket No. 13-184; Improving Communications Services for Native Nations by Promoting Greater Utilization of Spectrum over Tribal Lands, WT Docket No. 11-40; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; Developing an Unified Intercarrier Compensation Regime, CC Docket No. 01-92

Dear Chairman Wheeler, Commissioner Clyburn, Commissioner Pai;
Commissioner Rosenworcel, and Commissioner O'Rielly:

We support your efforts to reform the Universal Services Fund (USF) to advance implementation of the National Broadband Plan and to close the Digital Divide in America. We applaud your commitment to restructure the E-Rate Program to upgrade to next generation broadband connectivity and modernize administration for all schools and libraries across the nation.

We write to offer our partnership, share our experiences, and request your targeted help. In particular, there are "5 Top Priorities" for your requested attention that will be most important to advance these objectives:

1. E-rate Modernization: Focus Attention on Low-Performing Schools
2. Affordable Broadband Lifeline Rate: Reach the Most Disadvantaged
3. Healthcare Connect Fund: Promote Robust Rural-Urban Networks
4. Connect America Fund: Assist States with Ubiquitous Deployment
5. Tribal Lands: Achieve Connectivity Where Tribal Leaders Want It

The California Emerging Technology Fund (CETF) was established at the direction of the California Public Utilities Commission (CPUC) in the orders approving the 2005 mergers of SBC-AT&T and Verizon-MCI. The successor companies agreed to provide a public benefit by contributing a total of \$60 million into this new non-profit with the mission to close the Digital Divide in California. CETF became operational in 2007, working in partnership with the Governor and State Administration, Legislature, CPUC, local governments, and a network of more than 80 community-based organizations (CBOs) to systematically implement a strategic plan to close the Digital Divide, tackling both the supply and demand sides of the challenges, setting the goals for broadband of 98% deployment and 80% adoption by 2017. CETF reports to the Legislature through the CPUC.

Although significant progress has been made towards achieving these goals, it is becoming increasingly harder to reach those who remain off-line because they are either remote rural residents without access or urban poor residents without the means to afford market prices or digital literacy skills. It has become clear that no individual state or the private sector alone will be able to reach the poorest Americans: there must be a heightened commitment at the federal level to establish an affordable broadband lifeline rate. The Federal Communications Commission through thought leadership and authority for USF must be the focal point for addressing this critical need.

Preferably, a new broadband lifeline program should be designed to encourage partnerships with the private sector, but the data on who is being left behind in the Digital Age is compelling evidence of the need for concerted federal action. As CETF has testified to the U.S. Senate Subcommittee on Communications, Technology and the Internet (see attached), increasing broadband adoption among low-income households requires a program that addresses three barriers: cost; relevance; and digital literacy. While such an initiative may involve coordinated action with other federal agencies, the Federal Communications Commission is uniquely positioned to lead this effort.

The majority of low-income families live in disadvantaged neighborhoods with low-performing schools. CETF has developed and implemented School2Home to turn around low-performing middle schools through the integration of broadband and computing technology into the teaching and learning processes with significant parent engagement. Not only is School2Home improving academic performance above district and statewide gains, but it also is driving broadband adoption: Spanish-speaking parents increased broadband adoption at home from 48% to 76% (a 58% increase) and English-speaking parents increased from 84% to 94% (a 12% increase). Our approach includes teachers, parents and students throughout the process which leads to both better schools and increased adoption, truly eliminating the Digital Divide. We have learned that broadband connectivity alone is not sufficient to improve education: it takes an integrated set of strategies to change the culture in schools and break through the shackles of concentrated and persistent poverty. The families of students in low-performing schools need affordable broadband to ensure connectivity from home to school, from students and parents to teachers. An affordable broadband rate will optimize E-Rate and achieve the best return on investment in bandwidth at schools and libraries.

Thus, we request your assistance to coordinate and mobilize federal resources to succeed in improving academic performance while modernizing E-Rate. We are mindful that the FCC has prescribed responsibilities and defined jurisdiction, but we also recognize the power of your platform and leadership to force change. There must be close coordination and linkage among E-Rate modernization, the White House, other federal departments, and ConnectED to achieve our shared vision for education.

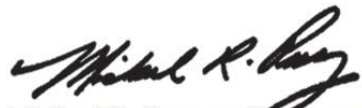
Another dimension of poverty and the reality of rural communities is the lack of access to health and medical care. The FCC has led the way to harness the potential of broadband technology to revolutionize access with the Rural Health Care Pilot Project (RHCPP) and the Healthcare Connect Fund (HCF). CETF provided \$3.6 million for the required cash match for the RHCPP to launch the California Telehealth Network (CTN) and has invested another \$1 million in operating seed capital. We are grateful for the establishment of the HCF, but urge the FCC to amend the regulations to enable a more robust statewide network—we know first-hand that medically-underserved urban neighborhoods have all the same challenges of medically-underserved rural communities in accessing services, especially specialty care. Further, a comprehensive rural-urban network not only increases access for all, by definition it also improves quality of care, and then, in turn, provides the potential to control costs. Thus, we strongly support the rehearing submitted by CTN and request your immediate attention to this matter.


Lastly, California has some of the most challenging terrain of any state with many rural and small farming communities, all of which need and want broadband access at sufficient speed for economic development, public safety, and quality of life. And, there are 111 federally-recognized tribes in California. Most of the tribal lands lack broadband connectivity and want access according to recent consultations with tribal leaders throughout the state.

Although the California Legislature and CPUC have established the California Advanced Services Fund with \$315 million to subsidize broadband infrastructure deployment into unserved and underserved areas, we need federal help to achieve the deployment goal. We respectfully request that the Connect America Fund be reformulated to: (a) redefine “rural” so that the some of the nation’s most productive farming communities can qualify; (b) give priority to projects with matching funds from states or other sources; and (c) give special assistance to tribal lands. We also again request your leadership to engage and mobilize other federal departments to ensure broadband connectivity to all tribal lands where the tribal leaders want it. Broadband deployment to tribal lands also will complement and facilitate more cost-effective broadband infrastructure access for other remote areas.

We at CETF stand ready to support and assist you in implementing the National Broadband Plan in partnership with the CPUC and California Broadband Council (representing the State of California Administration and Legislature). We welcome the opportunity to join with our community partners and other key stakeholders to organize and convene forums in California so that you can hear first-hand about the challenges and successes in accelerating broadband deployment and adoption. We also invite each of you to tour a School2Home school in California. And, we look forward to working together to close the Digital Divide in America.

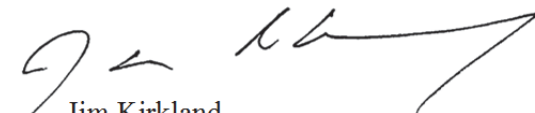
Sincerely,


Michael R. Peevey, Chairman

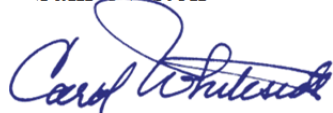

Rich Motta, Treasurer


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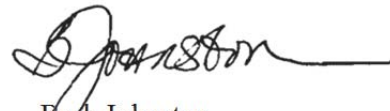

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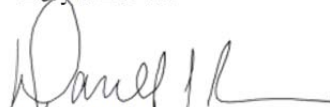

Barbara O'Connor, Secretary


Jeff Campbell


Rachelle Chong


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Lloyd Levine


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C: California Congressional Delegation
California Public Utilities Commissioners